REMARKS

The Applicants respectfully request the Examiner to reconsider the Present Patent Application in light of the amendments and arguments presented. The Applicants submit that the amendments presented in this Amendment do not contain new matter.

I. Objections to the Claims

On Page 2 of the Office Action dated 26 June 2007, the Examiner objected to Claims 11-24 and 26. The Applicants have corrected the informalities noted by the Examiner by amending Claim 11. The Applicants have inserted a semi-colon in Line 13 of Claim 11, and have replaced "said" with "a" in Lines 15-16.

II. Rejections of Claims 1-11 and 14-26

under Section 103(a) - Aristedes in view of Artigalas

On Page 2 of the Office Action dated 26 June 2007, the Examiner rejected Claims 1-11 and 14-26 under 35 U.S.C. Section 103(a) as being unpatentable over Aristedes et al (U.S. Patent No. 5,657,072f in view of Artigalas (US 2001/00114206).

Aristides delivers a program guide for cable television viewers. Aristides' invention is only concerned with the delivery of content, and has nothing whatever to do with the use of the content. Aristides is only concerned with a system which efficiently distributes information, and offers no new features or controls to users. When a viewer wishes to see a schedule of programs, he or she looks at the program guide. The program guide is one single program without alternatives or

choices. The viewer has no role in a selection process. The viewer may either look at the program guide, or a watch a program. The viewer has no control over the program guide— the guide is simply available for viewing, on or off. The program guide is one program, and does not include a library of programming that may be individually selected by a recipient at a time of the recipient's choosing. Aristides offers no user selection, choice or control.

US Patent Application No. US2001/001 4206 by Artigalas et al. discloses a "recording and reading apparatus constituting a kind of video reservoir in the home of a consumer." Artigalas, Abstract, Lines 1-3. Artigalas teaches his invention as an "invention [which] is applicable to on-demand video in the consumer's home." Artigalas, Abstract, Lines 7-8; Summary, Page 1, Paragraph 0006; and Page 2, Paragraph 0007.

Artigalas does not disclose, teach or suggest a method of utilizing the excess capacity of a network by conveying data over said network during a period of less than maximum usage as claimed by the Applicants.

Artigalas does not disclose, teach or suggest a method of conveying data including a plurality of different on-demand programming which has been accumulated during a period of less than maximum usage over an extended period of time, which may be viewed at said recipient's convenience.

Artigalas does not disclose, teach or suggest a method receiving said data during said period of less than maximum usage.

Artigalas does not disclose, teach or suggest a method of accumulating said data over an extended period of time.

Artigalas does not disclose, teach or suggest a method receiving said data during said period of less than maximum usage.

Artigalas does not disclose, teach or suggest a method of selectively retrieving one or more of said plurality of different on-demand programming by said recipient for on-demand use at a time after said extended period of time.

In other words, Artigalas discloses absolutely nothing relevant to the Applicants Invention, other than a storage device.

The Applicants respectfully traverse the Examiner's rejections of Claims 1-11 and 14-26 under Section 103(a), and respectfully contend that the Applicants' Claims 1-11 and 14-26 are patentable over Aristedes and Artigalas.

The Examiner's rejection of Claims 1-11 and 14-26 under Section 103(a) is improper under the long-standing decisions of the Federal Courts. The Examiner may not selectively combine disparate elements of cited references to reject the Applicants' Claims without a specific teaching in one of the cited references which teaches or suggests the entire combination.

The Applicants respectfully submit that the Examiner's rejections are completely contrary to the Federal Patent Laws, and to a long line of decisions of the Federal Courts which have interpreted the Federal Patent Laws. The Applicants' traversal of the Patent Office rejections are completely supported by a multitude of decisions of the Court of Appeals for the Federal Circuit.

In Micro-Chemical, Inc. v. Great Plains Chemical Co., Inc., the Court ruled that:

"A determination of obviousness must involve more than indiscriminately combining prior art; a motivation or suggestion to combine must exist. *ACS Hosp. Sys., Inc. v. Montefiore Hosp.*, 732 F.2d 1572, 1577, 221 USPQ 929, 933 (Fed. Cir. 1984). As we recently stated:

Such a suggestion may come expressly from the references themselves. See, e.g., *In re Sernaker*, 702 F.2d 989, 994, 217 USPQ 1, 5 (Fed. Cir. 1983). It may come from knowledge of those skilled in the art that certain references, or disclosures in the references, are known to be of special interest or importance in the particular field. Cf. *Ashland Oil, Inc. v. Delta Resins & Refractories, Inc.*, 776 F.2d 281, 297 n.24, 227 USPQ 657, 667 n.24 (Fed. Cir. 1985) (stating that the knowledge of one skilled in the art may provide the "teaching, suggestion, or inference" to combine references), cert. denied, 475 U.S. 1017 (1986). It may also come from the nature of a problem to be solved, leading inventors to look to references relating to possible solutions to that problem. See, e.g., *In re Rinehart*, 531 F.2d 1048, 1054, 189 USPQ 143, 149 (CCPA 1976) (considering the problem to be solved in a determination of obviousness). *Pro-Mold and Tool Co. v. Great Lakes Plastics, Inc.*, 75 F.3d 1568, 1573, 37 USPQ2d

1626, 1630 (Fed. Cir. 1996)." *Micro-Chemical, Inc. v. Great Plains Chemical Co., Inc.*, 41 USPQ2d 1238 (Fed. Cir. 1997).

In the case of *Orthopedic Equipment Co. v. United States*, the CAFC declared that:

"[11] Claims may be obvious in view of a combination of references, even if the features of one reference cannot be substituted physically into the structure of the other reference. *In re Anderson*, 391 F.2d 953, 958, 157 USPQ 277,281 (CCPA 1968). What matters in the Section 103 non-obviousness determination is whether a person of ordinary skill in the art, having all of the teachings of the references before him, is able to produce the structure defined by the claim. *In re Twomey*, 218 F.2d 593, 104 USPQ 273,275 (CCPA 1955). The fact that features of one reference cannot he substituted into the structure of a second reference may indicate that the claims were non-obviousness in view of the combined teachings of the two references. But this is not necessarily so, as *Anderson*, supra, makes clear. The same can be said regarding a complete mechanical misfit between two separate patented devices when the combination is alleged to demonstrate the obviousness of patent claims."

"[12] In other words, the fact that the two disclosed apparatus would not be combined by businessmen for economic reasons is not the same as saying that it could not be done because skilled persons in the art felt that there was some technological incompatability that prevented this combination. Only the latter fact is telling one the issue of non-obviousness." *Orthopedic Equipment Co. v. United States*, 217 USPQ 193, 200 (Fed. Cir. 1983).

In the decision of *In re Fritch*, the Court of Appeals for the Federal Circuit ruled that:

"[4] Obviousness cannot be established by combining the teachings of the prior art to produce the claimed invention, absent some teaching or suggestion supporting the combination. Under Section 103, teachings of references can be combined only if there is some suggestion or incentive to do so."

"Although couched in terms of combining teachings found in the prior art, the same inquiry must be carried out in the context of a purported obvious "modification" of the prior art. The mere fact that the prior art may be modified in the manner suggested by the Examiner does not make the modification obvious unless the prior art suggested the desirability of the modification." Wilson and Hendrix fail to suggest any motivation for, or desirability of, the

changes espoused by the Examiner and endorsed by the Board. Here, the Examiner relied upon hindsight to arrive at the determination of obviousness. It is impermissible to use the claimed invention as an instruction manual or "template" to piece together the teachings of the prior art so that the claimed invention is rendered obvious. This court has previously stated that "[o]ne cannot use hindsight reconstruction to pick and choose among isolated disclosures in the prior art to deprecate the claimed invention." *In re Fritch* 23 USPQ 2d 1780, 1783 (Fed. Cir. 1997).

The Applicants submit that Independent Claims 1 and 11 are allowable over the references cited Office Action dated 26 June 2007. The remaining Dependent Claims, which depend directly or indirectly from one of Claims 1 or 11, are each allowable, at least for the same reasons as their respective Parent Claims.

II. Rejections of Claims 12-13 under Section 103(a) as being unpatentable over Aristedes in view of Artigalas and further in view of Picco

On Page 6 of the Office Action dated 26 June 2007, the Examiner rejected Claims 12 and 13 under 35 U.S.C. Section 103(a) as being unpatentable over Aristedes in view of Artigalas, and further in view of Picco, U.S. Patent No. 6 029 045.

Picco is concerned only with the replacement of national advertising on cable television systems with local or regional advertising. Picco states that:

"The invention provides a broadcaster with a system to provide targeted content to its users wherein the content is under the control of the broadcaster and the viewer is unaware of the targeted content. This permits a broadcaster to deliver geographically localized content (e.g., commercials targeted for a particular area of the country) over a national transmission medium, such as a satellite. The system may also permit a user to specify preferences for the local content that the user will receive and then deliver local content that best satisfies those preferences."

"The invention permits a broadcaster to segment its viewers for advertisers so advertisers may target their commercials at a particular portion of the broadcaster's audience. Thus, the broadcaster can segment their viewers and the advertiser's benefit since they are able to more effectively reach viewers who are more likely to be interested in their product often at a lower total cost since the advertiser does not have to purchase the rights to advertise in the entire market."

Picco, Column 2, Line 49, emphasis added; and Column 3, Lines 1-62.

According to Picco, although a subscriber to the cable system can indicate a preference for the general type of local content that will be received, and the broadcaster will attempt to deliver local content that "best satisfies" the viewers' preferences, the local content is, by the express terms of the Picco disclosure, "under the control of the broadcaster".

In addition to controlling the content of broadcasts exclusively by the broadcaster, Picco also discloses that the broadcaster controls the time that the broadcasts (i.e., the substitute advertisements) are broadcast to the subscribers of the system. This is completely different from the Applicants' Invention, which always provides "on-demand" content. The viewer, listener or recipient of the content always has the power to select content, as well as the freedom to choose the time of use.

The Applicants respectfully traverse the Examiner's rejections of Claims 12 and 13 under Section 103(a), and respectfully contend that the Applicants' Claims 12 and 13 are patentable over Aristedes, Artigalas and Picco.

The Examiner's rejection of Claims 12 and 13 under Section 103(a) is improper under the long-standing decisions of the Federal Courts. The Examiner may not selectively combine disparate elements of cited references to reject the Applicants' Claims without a specific teaching in one of the cited references which teaches or suggests the entire combination.

The Applicants respectfully submit that the Examiner's rejections are completely contrary to the Federal Patent Laws, and to a long line of decisions of the Federal Courts which have interpreted the Federal Patent Laws. The Applicants' traversal of the Patent Office rejections are completely supported by a multitude of decisions of the Court of Appeals for the Federal Circuit.

In Micro-Chemical, Inc. v. Great Plains Chemical Co., Inc., the Court ruled that:

"A determination of obviousness must involve more than indiscriminately combining prior art; a motivation or suggestion to combine must exist. *ACS Hosp. Sys., Inc. v. Montefiore Hosp.*, 732 F.2d 1572, 1577, 221 USPQ 929, 933 (Fed. Cir. 1984). As we recently stated:

> Such a suggestion may come expressly from the references themselves. See, e.g., In re Sernaker, 702 F.2d 989, 994, 217 USPQ 1, 5 (Fed. Cir. 1983). It may come from knowledge of those skilled in the art that certain references, or disclosures in the references, are known to be of special interest or importance in the particular field. Cf. Ashland Oil, Inc. v. Delta Resins & Refractories, Inc., 776 F.2d 281, 297 n.24, 227 USPQ 657, 667 n.24 (Fed. Cir. 1985) (stating that the knowledge of one skilled in the art may provide the "teaching, suggestion, or inference" to combine references), cert. denied, 475 U.S. 1017 (1986). It may also come from the nature of a problem to be solved, leading inventors to look to references relating to possible solutions to that problem. See, e.g., In re Rinehart, 531 F.2d 1048, 1054, 189 USPQ 143, 149 (CCPA 1976) (considering the problem to be solved in a determination of obviousness). Pro-Mold and Tool Co. v. Great Lakes Plastics, Inc., 75 F.3d 1568, 1573, 37 USPQ2d 1626, 1630 (Fed. Cir. 1996)." Micro-Chemical, Inc. v. Great Plains Chemical Co., Inc., 41 USPQ2d 1238 (Fed. Cir. 1997).

In the case of *Orthopedic Equipment Co. v. United States*, the CAFC declared that:

"[11] Claims may be obvious in view of a combination of references, even if the features of one reference cannot be substituted physically into the structure of the other reference. *In re Anderson*, 391 F.2d 953, 958, 157 USPQ 277,281 (CCPA 1968). What matters in the Section 103 non-obviousness determination is whether a person of ordinary skill in the art, having all of the teachings of the references before him, is able to produce the structure defined by the claim. *In re Twomey*, 218 F.2d 593, 104 USPQ 273,275 (CCPA 1955). The fact that features of one reference cannot he substituted into the structure of a second reference may indicate that the claims were non-obviousness in view of the combined teachings of the two references. But this is not necessarily so, as *Anderson*, supra, makes clear. The same can be said regarding a complete mechanical misfit between two separate patented devices when the combination is alleged to demonstrate the obviousness of patent claims."

"[12] In other words, the fact that the two disclosed apparatus would not be combined by businessmen for economic reasons is not the same as saying that it could not be done because skilled persons in the art felt that there was some technological incompatability that prevented this combination. Only the latter fact is telling one the issue of non-obviousness." *Orthopedic Equipment Co. v. United States*, 217 USPQ 193, 200 (Fed. Cir. 1983).

In the decision of *In re Fritch*, the Court of Appeals for the Federal Circuit ruled that:

"[4] Obviousness cannot be established by combining the teachings of the prior art to produce the claimed invention, absent some teaching or suggestion supporting the combination. Under Section 103, teachings of references can be combined only if there is some suggestion or incentive to do so."

"Although couched in terms of combining teachings found in the prior art, the same inquiry must be carried out in the context of a purported obvious "modification" of the prior art. The mere fact that the prior art may be modified in the manner suggested by the Examiner does not make the modification obvious unless the prior art suggested the desirability of the modification." Wilson and Hendrix fail to suggest any motivation for, or desirability of, the changes espoused by the Examiner and endorsed by the Board. Here, the Examiner relied upon hindsight to arrive at the determination of obviousness. It is impermissible to use the claimed invention as an instruction manual or "template" to piece together the teachings of the prior art so that the claimed invention is rendered obvious. This court has previously stated that "[o]ne cannot use hindsight reconstruction to pick and choose among isolated disclosures in the prior art to deprecate the claimed invention." In re Fritch 23 USPQ 2d 1780, 1783 (Fed. Cir. 1997).

The Applicants submit that Independent Claims 1 and 11 are allowable over the references cited Office Action dated 26 June 2007. The remaining Dependent Claims, which depend directly or indirectly from one of Claims 1 or 11, are each allowable, at least for the same reasons as their respective Parent Claims.

II. Rejections of Claims 12-13 under Section 103(a) as being unpatentable over Aristedes in view of Artigalas and further in view of Picco

On Page 6 of the Office Action dated 26 June 2007, the Examiner rejected Claims 12 and 13 under 35 U.S.C. Section 103(a) as being unpatentable over Aristedes in view of Artigalas, and further in view of Picco, U.S. Patent No. 6 029 045.

Picco is concerned only with the replacement of national advertising on cable television systems with local or regional advertising. Picco states that:

"The invention provides a broadcaster with a system to provide targeted content to its users wherein the content is under the control of the broadcaster and the viewer is unaware of the targeted content. This permits a broadcaster to deliver geographically localized content (e.g., commercials targeted for a particular area of the country) over a national transmission medium, such as a satellite. The system may also permit a user to specify preferences for the local content that the user will receive and then deliver local content that best satisfies those preferences."

"The invention permits a broadcaster to segment its viewers for advertisers so advertisers may target their commercials at a particular portion of the broadcaster's audience. Thus, the broadcaster can segment their viewers and the advertiser's benefit since they are able to more effectively reach viewers who are more likely to be interested in their product often at a lower total cost since the advertiser does not have to purchase the rights to advertise in the entire market."

Picco, Column 2, Line 49, emphasis added; and Column 3, Lines 1-62.

According to Picco, although a subscriber to the cable system can indicate a preference for the general type of local content that will be received, and the broadcaster will attempt to deliver local content that "best satisfies" the viewers' preferences, the local content is, by the express terms of the Picco disclosure, "under the control of the broadcaster".

In addition to controlling the content of broadcasts exclusively by the broadcaster, Picco also discloses that the broadcaster controls the time that the broadcasts (i.e., the substitute advertisements) are broadcast to the subscribers of the system. This is completely different from the Applicants' Invention, which always provides "on-demand" content. The viewer, listener or recipient of the content always has the power to select content, as well as the freedom to choose the time of use.

CONCLUSION

Request for Allowance

The Applicants respectfully submit that the amendments presented in this Amendment do not contain new matter, and are fully supported by the Specification and Drawings as originally filed.

The Applicants respectfully request that the all of the Pending Claims be allowed, and this Application be passed to issue.

In the alternative, the Applicants respectfully request the Examiner to return this Application to the Patent Board of Appeals for a review of the Examiner's rejections.

Respectfully submitted,

Thomas N. Giaccherini

Attorney of Record

Registration No. 31,075

831.659.5300

techlaw@ix.netcom.com

Transmitted to the U.S. Patent Office with a Rule 8 Certificate by First Class Mail on 26 December 2007.